

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

**H**

**D**

**HOUSE DRH60279-LU-95 (03/23)**

Short Title: Funds for Child-Caring Institutions.

(Public)

---

Sponsors: Representative Nye.

---

Referred to:

---

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR CHILD-CARING INSTITUTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** There is appropriated from the General Fund to the Department of Health and Human Services, Division of Social Services, the sum of ten million dollars (\$10,000,000) for the 2005-2006 fiscal year and the sum of ten million dollars (\$10,000,000) for the 2006-2007 fiscal year to be allocated to the State Fund for Foster Care Child Caring Institutions. These funds shall be used to provide the private child-caring institution reimbursement rate for the State-funded portion of the services to children not eligible for federal IV-E subsidies. Counties shall not reduce their contributions as a result of additional appropriations under this section. County contributions to the cost of care shall continue to be negotiated between the counties and the private child-caring institutions. County contributions shall not be used to reduce or offset State reimbursement for the costs of care in private child-caring institutions.

**SECTION 1.(b)** The sum of one million five hundred thousand dollars (\$1,500,000) for the 2005-2006 fiscal year and the sum of one million five hundred thousand dollars (\$1,500,000) for the 2006-2007 fiscal year shall be transferred from the TANF Block Grant to the Social Services Block Grant for the Division of Social Services and allocated for child-caring institutions in addition to the funds appropriated in subsection (a) of this section.

**SECTION 1.(c)** The Office of the Controller and the Department of Health and Human Services shall conduct a comprehensive review of the foster care and child-caring institutions rate structure and make recommendations regarding changes that may be implemented to simplify and streamline the foster care rate-setting process, including the development or refinement of a uniform agency cost-reporting format, the development of a single foster care rate, and integration of the child-caring rate-setting process with child mental health services.

1

**SECTION 2.** This act becomes effective July 1, 2005.